

VZCZCXRO4752
OO RUEHROV
DE RUEHKH #0468/01 0841123
ZNY CCCCC ZZH
O 251123Z MAR 07
FM AMEMBASSY KHARTOUM
TO RUEHC/SECSTATE WASHDC IMMEDIATE 6597
INFO RUCNIAD/IGAD COLLECTIVE PRIORITY

C O N F I D E N T I A L SECTION 01 OF 02 KHARTOUM 000468

SIPDIS

SIPDIS

DEPARTMENT FOR AF/SPG AND AF/RSA
PLEASE PASS TO USAID FOR AFR

E.O. 12958: DECL: 03/22/2017

TAGS: [PGOVSU](#) [PINR](#) [KDEM](#) [SU](#)

SUBJECT: GOSS FINANCE MINISTER SUSPENDED OVER CORRUPTION
CHARGES, OTHER INVESTIGATIONS ONGOING (CORRECTED SUBJECT
LINE: KHARTOUM 0456)

REF: A. 06 KHARTOUM 02227

[1](#)B. 07 KHARTOUM 0234

Classified By: DCM FOR REASONS 1.4 (b) and (d)

[1](#)1. (C) Summary: Government of Southern Sudan (GOSS) Finance Minister Arthur (Akuien) Chol was suspended following months of speculation about his alleged involvement in a government vehicle purchasing scandal. Akuien is the most senior GOSS official to be implicated in the ongoing corruption scandals involving key members of the Sudan People's Liberation Movement (SPLM). GOSS President Salva Kiir has faced mounting pressure to get rid of his FinMin, which reached a peak in during the February Yei party meeting. The investigation of Foreign Minister Lam Akol's alleged involvement with an opposition party and militias is also ongoing and could lead to changes in that portfolio. End Summary.

[1](#)2. (C) The other shoe finally dropped on FinMin Akuien as he was relieved of his duties by President Kiir on March 17 after months of corruption allegations in his ministry. Akuien's position will be filled by the current Minister of Parliamentary Affairs, Gabriel (Changson) Change, pending the outcome of the investigation. The Under Secretary in the Finance Ministry and several directors in Finance and Customs were previously investigated and arrested late last year. All but the Under Secretary were cleared of corruption charges stemming from a scheme to defraud the GOSS of millions of dollars by inflating the price of government-purchased vehicles.

[1](#)3. (C) These vehicles were reportedly procured by a sole agent, Maj. Gen. (Rtd.) Martin Malual Arop, an affluent businessman associated with the National Congress Party (NCP), and former State Minister in the Federal Ministry of Cabinet Affairs. Arop too was recently arrested, but posted bail, returned to Khartoum and is widely believed to be working deals to evade prosecution.

[1](#)4. (C) The beleaguered Akuien was bitterly attacked for mishandling GOSS resources during the 2007 budget debates in the Southern Sudan Legislative Assembly. He also has been in a public feud with SPLM Secretary General Pagan Amum over alleged misappropriation of some of the USD 60 million Khartoum provided to the SPLM following the January 2005 signing of the CPA, and prior to the inauguration of the GOSS the following July. With these controversies and the vehicle scandal (reftel), the FinMin's removal has been widely called for and expected. Akuien has long been seen as a Kiir supporter and the GOSS president was facing growing criticism from within the party and the public for perceived delays in acting on the accusations against

Akuein.

15. (C) The future of Foreign Minister Lam Akol is less certain, but equally as problematic for Kiir, if not more. At the SPLM's Interim National Council (INC) meeting in Yei last month, Kiir established the Upper Nile Investigation Committee to look into the validity of the allegations that Akol was a leader and financier of an opposition party and militias (reftel). A member of that committee told the CG that he would be in Malakal (Upper Nile) next week to begin gathering information from local leaders, but that preliminary indications were that Akol was indeed involved in such activities. Should the evidence be compelling, Kiir will again be forced to deal with a key party member, albeit a recalcitrant one. Removing Akol from his post as Foreign Minister, however, will require the consent by President of the Republic, Omar Al Bashir, because of Akol's position as a member of the Government of National Unity. The SPLM will be faced with the choice of replacing Akol and abandoning the FM portfolio as set up under the Power Sharing Agreement, or seeking a different portfolio in the GNU.

16. (C) Reportedly Kiir is also contemplating changes in the military to strengthen his loyalists and there are reports of an arrest of a senior military Deputy Chief of Staff and the sacking of the Head of Military Intelligence in the SPLA (septel).

17. (C) Comment: Kiir has difficult decisions to make to keep the ethnic balance and deal with competing loyalties among his supporters and those of the late Dr. John Garang within the GOSS and SPLM/A. To date, Kiir has shown himself adept at holding his complex mixture of competing groups together. These recent changes and those in the offing

KHARTOUM 00000468 002 OF 002

will indeed test his skills further.
HUME